(b) A decision on the proposal will be taken before the present tenure of the scheme expires.

Income Tax dues against Shri M. Karunanidhi and Miss Sridevi

2380. SHRI THOMAS KUTHIRAVATTOM: Will the Minister of FINANCE be pleased to state:

(a) whether any amount towards income-tax is due against Shri M. Karunanidhi, Chief Minister of Tamil Nadu and also against Miss Sridevi, film actress; and

(b) if so, what are the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN MINISTRY OF FINANCE (SHRI AJIT PANJA): (a) Yes, Sir.

(b) The Income-tax demand due from Shri Karunanidhi as on 31st January, 1989 was Rs. 4.80 lakhs. The entire demand is disputed in appeals and recovery thereof has been stayed. The Income-tax demand due from Miss Sridevi, film actress, as on 31st January, 1989 was Rs. 28.87 lakhs. Petitions for waiver of interest and revision of assessment are pending in respect of Rs. 24.41 lakhs. Recovery of the balance amount of Rs. 4.46 lakhs is not being pursued as the assessee is likely to get refund for other years which can be adjusted here.

Cheating Practices by the Blade Companies

2381. SHRI THOMAS KUTHIRAVATTOM: Will the Minister of FINANCE be pleased to state:

(a) what is the number of finance companies called blade companies against whom cases were registered in Kerala and what is the sum involved in all these cases; and

(b) whether his Ministry or the Reserve Bank intends to take any steps to curb the cheating practices of the so called 'blade companies' and if so, what are the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Reserve Bank of India has reported that it had jointly with the State Government officials, conducted raids on the office premises of 107 unincorporated bodies in the State of Kerala. Criminal complaints have been launched against 12 unincorporated bodies for violation of the provisions of section 45S of the Reserve Bank of India Act, 1934. Reserve Bank has also reported that the particulars of amount of deposits with the blade companies are not available as such bodies are not required to send any returns to Reserve Bank of India.

(b) The "blade companies" are reported to be unincorporated bodies engaged in acceptance of deposits from the public and lending the same. Acceptance of deposits by unincorporated bodies are regulated under the provisions of Chapter III-C of Reserve Bank of India Act, 1934. These provisions prohibit acceptance of deposits by the unincorporated bodies in excess of the specified number of depositors. The Act also provides for penal action, including fine and imprisonment, for violations of the provisions of the Act.

Reserve Bank of Inda has further reported that the bank has, either on its own or jointly with the State Government officials, also conducted raids in the office premises of several unincorporated bodies in the States of Gujarat, Karnataka and Tamilnadu and the Union Territory of Delhi and criminal complaints have been launched against some of these firms for violations of the provisions of Chapter III-C of Reserve Bank of India Act, 1934.

The constitutional validity of Chapter III-C of Reserve Bank of India Act, 1934 has been challenged and